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THE USERS OF SSCR DATA

This chapter explains how SSCR data is used by the agencies that hold Title IV loans. It illustrates why accurate reporting is necessary for effective administration of student loans and how these agencies interact with schools.

7.1 WHO USES SSCR DATA?

SSCR data is critical to the proper servicing of the loan by the lender (or its third-party servicer). SSCR data is passed to the lender/servicer via the guaranty agency or Direct Loan servicer. If the loan was sold, the SSCR data would be sent to the new holder or servicer of the loan.

Federal Direct Loans (FDLP) are made directly by the federal government. However, the government may enter into contracts with private companies for loan servicing. Consequently, the SSCR data may be sent to the FDLP servicer.

In this chapter, the term guaranty agencies (GA) includes all guaranty agencies, servicers acting on their behalf, and the FDLP servicer.

7.2 HOW IS SSCR DATA USED?

As schools report their enrollment data, NSLDS collects the enrollment data and adds data supplied by the tapes or Title IV WAN to the database. It is then forwarded to the appropriate guaranty agency or servicer. The GA updates its files with the new data and if the status has changed, passes the updated information to the lender/servicer. The lender/servicer must determine if the updated enrollment data causes a change in the status of a loan. If so, the lender submits the new loan status information in its next scheduled report to the GA. The GA then reports the loan-level status change to NSLDS in its next submission.

NSLDS does not change the enrollment data provided in the SSCR data from schools, but sends all SSCR data to the GA. The GA, however, may have more recent or conflicting information in its files regarding the borrower's enrollment status. The GA is free to make judgments regarding the use of the SSCR enrollment information and the information that the school reported may require further verification from the borrower.

7.3 LINKING SSCRS TO THE GA

NSLDS is responsible for forwarding the enrollment status for every student to the appropriate GA. To track the status to a specific school and SSCR, NSLDS supplies necessary links with each student record reported to the GA. Specifically, NSLDS reports the school code, the certification date supplied by the school, and the create date/timestamp of the original SSCR that

the school completed. If the transaction was generated by the school using the NSLDS online screens, then the online transaction time is captured and submitted to the GA. This provides a complete audit trail for all SSCR transactions.

7.4 ADDRESS INFORMATION

Each GA has established procedures to store the most recent permanent address of the borrower. Although schools are required to submit address information, it may not be the most recent or accurate. There will be instances when the student is attending two schools simultaneously, or the GA knows that the address supplied is not the most current. When this occurs, the GA disregards the address supplied by the school and uses its own judgment to use the most accurate borrower's address.

7.5 THE GA FILE

The GAs receive an SSCR file from NSLDS on a weekly basis. It contains data from all SSCRs submitted during the previous week, and all online transactions made in NSLDS.

The file resembles the school SSCR file with a few exceptions. Fields were added to accommodate the audit capability outlined in Section 7.3 and the school's OPEID has been included in each detail record. The data in the file is the exact data reported by the school on its latest SSCR.

7.6 PROPOSED IDENTIFIER CHANGES

Through the SSCR process, schools have the opportunity to propose changes to the key identifiers. Schools cannot directly change key identifier fields such as SSN, Date of Birth, or student name; only the original data provider can make those changes. However, the schools may be the first and best source of changes in these fields, and their input is essential to accurate servicing of loans.

The proposed changes to identifiers are recorded in the fields that begin with "NEW". For example, if the school believes the SSN reported on the SSCR is incorrect, then it may submit a correction. The proposed SSN would be reported in the field named New Student's Social Security Number.

GAs should review the proposed changes carefully. If accepted, the changes must be sent to the lender/servicer. Modified identifiers will be transmitted back to the school as the actual identifiers on the next SSCR. If rejected, the data provider should continue to use the identifier it believes is correct, and the proposed change is returned to the school for further resolution.